tion of this section of the statute, which seems to be preferable, as the creditors have always the right to oppose the granting of the application for discharge, no matter when it is filed.

BANKRUPTCY—VOIDABLE PREFERENCES—PROCEEDS OF FIRE INSURANCE POLICY.—The Maple Valley Canning Co. was adjudged a bankrupt July 16, 1906. Appellant bank was one of the creditors. On Sept. 15, 1905, the Canning Co. was indebted to the Bank in the amount of $2038 and the bank had in its possession $1,500 of the company's funds. To secure the release of these funds the Canning Co. on this date promised to give the Bank a mortgage on its property. The $1,500 was accordingly surrendered, but the mortgage was not executed until April 10, 1906, which was within four months of the bankruptcy. At the time of the execution of the mortgage the bank demanded a policy of insurance on the company's property, and such policy was issued May 10th, 1906, the premium thereon being paid by the bank. The policy contained a mortgage clause whereby, in case of loss, the proceeds of the policy were to be paid to the mortgagee "as its interest may appear." The property was damaged by fire May 25th, 1906, and the bank, as mortgagee, collected $1,249 on the policy, which amount was credited to the Canning Co's. indebtedness. After adjudication, the trustee sues to have the amount collected on the policy declared a preference. *Held* that such fund was a preference and recoverable by the trustee. *Brown City Savings Bank* v. *Windsor* (C. C. A. 1912) 198 Fed. 28.

In *Morgan* v. *First Nat. Bank,* 145 Fed. 466, 76 C. C. A. 236, it was held that when a trust deed was executed by an insolvent within four months of his bankruptcy to secure an antecedent debt, without actual fraud but intended to create a preference and accepted as such by the creditor, it resulted in giving a preference. In the principal case there was no doubt that a preference was intended, and the main question was whether the proceeds of the policy stood on the same footing as the mortgage itself, which was clearly voidable by the trustee. The court, finding no authorities clearly in point, decided that the general purpose of the Bankruptcy Act would be best served by considering the transaction to be a preference, and was undoubtedly correct in its decision.

BILLS AND NOTES—LIABILITY OF IRREGULAR INDORSER—QUESTION FOR JURY.—Plaintiff was the payee of a promissory note, signed on its face by one Rogers, and having on its back the names of Conant and Flanders, written there by them before delivery of the note to the plaintiff. *Held,* that Conant and Flanders, being strangers to the note, became prima facie makers, but it was open to them to show that they were not makers, but indorsers, and so not holden, unless the plaintiff had taken steps to charge them as indorsers. *Woodsville Guaranty Savings Bank* v. *Rogers et al.* (Vt. 1912) 83 Atl. 537.

Before the enactment of the Negotiable Instrument Law the authorities were in hopeless conflict upon the liability of the irregular or anomalous indorser. There were five different holdings upon this point. 1 DANIEL NEG. INST. § 713 et seq. Many courts held, as in the principal case, that the liabil-

ity of such signer is a question for the jury. *Rey* v. *Simpson,* 22 How. 341; *Good* v. *Martin,* 95 U. S. (5 Otto) 90; *Patch* v. *Washburn,* 82 Mass. 82; *Cadwallader* v. *Hirshfeld,* 62 N. J. L. 747. The courts of Texas, Louisiana and Arkansas have held that such third party is presumably surety or guarantor. *Cook* v. *Southwick,* 9 Tex. 615; *Syme* v. *Brown,* 19 La. Ann. 147; *Killian* v. *Ashley,* 24 Ark. 511. The rule in New York was that such party is a first indorser. *Moore* v. *Cross,* 19 N. Y. 227. The same rule existed in Wisconsin. *Blakeslee* v. *Hewitt,* 76 Wis. 341, 44 N. W. 1105. In many jurisdictions such signer was held as a second indorser. *Arnot* v. *Symonds,* 85 Pa. St. 99; *De Pauw* v. *Bank of Salem,* 126 Ind. 553; *Jennings* v. *Thomas,* 13 Miss. 617. The Negotiable Instruments Law, now uniform in 34 states and territories, provides for this point as follows: "Where a person, not otherwise a party to an instrument, places thereon his signature in blank before delivery, he is liable as indorser * * *." Unfortunately the Negotiable Instruments law has not been adopted in Vermont, which accounts for the decision in the principal case.

BILLS AND NOTES — NEGOTIABILITY — LAW GOVERNING.— A corporation's promissory note, written and dated in Arizona, was there signed by the president of the corporation, it was then signed in blank on the back thereof by the defendants in California. It was then sent by the indorsers by mail to some place in the state of Kentucky, and there attested by the secretary of the corporation maker. From Kentucky it was mailed to the plaintiff bank in Arizona, at which place it was made payable. *Held,* the note became an Arizona contract, as affecting the question whether it was negotiable. *Navajo County Bank* v. *Dolson et al.* (Cal. 1912) 126 Pac. 153.

The question whether a note is negotiable in form is to be decided by the law of the state where the note is made and payable, not that of where it is written, signed and dated. 1 DANIEL, NEG. INST. §.865; *Connor* v. *Donnell,* 55 Tex. 167; *Freese* v. *Brownell,* 35 N. J. L. 285; *Gay* v. *Rainey,* 89 Ill. 221. The law of the jurisdiction where the action is brought has no bearing on the question of negotiability. *Cope* v. *Daniel,* 39 Ky. (9 Dana) 415; *Warren* v. *Copelin,* 4 Metc. (Mass) 594; *Clark* v. *Woolen M'fg. Co.,* 15 Wend. 256. In an action by an indorsee of a note made in a state other than that in which the action is instituted, it must be alleged and proved that by the laws of such state the note was negotiable, and that it was indorsed to plaintiff. *Rutledge* v. *Read,* 3 N. C. (2 Hayw) 428. The negotiability of a note executed in a foreign state will be determined according to the common law, where the statutes of such state relating thereto are not pleaded. *Holmes* v. *Bank of Ft. Gaines,* 120 Ala. 493. In this respect the states of the Union are foreign to each other. 1 DANIEL, NEG. INST. § 863. Although the interpretation of a negotiable instrument is determined by the lex loci contractus, the remedy is governed by the place where the suit is instituted. *Corbin* v. *Planter's Nat. Bank,* 87 Va. 661.

BOUNDARIES—STREET—LAND MADE BY CHANGE IN STREET. Plaintiff had platted certain ground outside the city of L. and sold lots by warranty deeds, describing the lots as fronting and abutting on the M. road, an established